



Staff Report for Council Meeting

Date of Meeting: June 25, 2019

Report Number: SRCM.19.09

Department: Office of the City Manager

Subject: Recreation and Culture Facility Naming Rights Opportunity

Purpose:

To provide Council with information with respect to services available to the City involving the identification of naming rights opportunities for the interior and exterior of the City's recreation and culture facilities and to request authorization for the negotiation and entry into an agreement for such services.

Recommendation(s):

The City Manager be authorized to negotiate and enter into an agreement with The Naming Rights Company Inc. to identify naming rights opportunities for the interior and exterior of various City recreation and culture facilities for consideration by Council.

Contact Person:

Neil Garbe, extension 6366

Report Approval:

Submitted by: Neil Garbe

Approved by: Neil Garbe, City Manager

All reports are electronically reviewed and/or approved by the Division Director, Treasurer (as required), City Solicitor (as required), Commissioner and City Manager. Details of the reports approval are attached.

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Background:

Council, at its meeting of June 6, 2017, approved the Naming Rights Policy for Recreation and Culture Facilities. The policy incorporates a balance of flexibility and control while maintaining the corporate values, image, assets and interests and is attached as Appendix A.

Staff are seeking Council's approval to enter into an agreement with the Naming Rights Company Inc. who will undertake a three phased process to implement the naming of exterior building and interior building spaces as an opportunity for additional revenue to assist with cost recovery.

Phase 1 – Preparation

Stakeholder alignment, policy development, identify and catalogue assets and asset valuation.

Phase 2 – Sales Process

Identify prospects, secure partner, structure deal terms, contract negotiation

Phase 3 – Implementation

Partner onboarding, measurement framework

Finalization of any prospective agreements with naming right partners would be subject to Council approval.

Financial/Staffing/Other Implications:

Phase 1 - \$26,000

Phase 2 – 15% commission on gross dollars of any naming rights sponsorship deal secured for the City.

Phase 3 – \$15,000 - 3 month on-boarding process

The costs associated with the retainer will be accommodate within existing budgets.

Relationship to the Strategic Plan:

The Naming Rights Policy and implementation aligns with Goal 1 “Stronger Connections in Richmond Hill”, specifically by advancing opportunities for connections at a Neighbourhood level. The agreement with the Naming Rights Company Inc. aligns with Goal 4 “Wise Management of Resources in Richmond Hill by being financially responsible and achieving operational effectiveness.

Conclusion:

Richmond Hill has a variety of Recreation and culture facilities that lend themselves well to the naming rights market. The Naming Rights Company Inc. is a boutique firm that focuses exclusively on building long-term naming rights partnerships between

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prominent brands and sport, entertainment and cultural facilities. The opportunity to enter into an agreement with a company who has extensive experience in this specialized area will provide the City access to new revenue streams, a consistent source of annual revenue and the opportunity to gain a long-term partner with a vested interest in our community.

Attachments:

- Appendix A: Naming Rights Policy

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Report Approval Details

Document Title:	SRCM.19.09 Recreation and Culture Facility Naming Rights Opportunity.docx
Attachments:	
Final Approval Date:	Jun 19, 2019

This report and all of its attachments were approved and signed as outlined below:

Andreea Adari - Jun 19, 2019 - 3:46 PM

Neil Garbe - Jun 19, 2019 - 3:49 PM